

PUBLIC SERVICE COMMISSION AND DEPARTMENT OF NATURAL RESOURCES REACH COOPERATIVE WORKING AGREEMENT

Jefferson City (July 27, 2001)---Increased efficiency, improved utility services and ensuring protection of Missouri's natural resources are the goals of a new working agreement entered into by the Missouri Public Service Commission (PSC) and the Missouri Department of Natural Resources (DNR).

"I applaud these agencies for their ability to see past "turf" issues and, instead, focus on better citizen service," said Governor Bob Holden. "As I said in my State-of-the-State address earlier this year, we have to take the hassle out of dealing with state agencies. Our programs must become more efficient, more effective and more accountable."

"This working agreement is designed to foster inter-agency communication, cooperation and coordination which will not only benefit both agencies and state government but will also have a positive impact on Missouri water and sewer customers as well as the utilities that serve them," stated PSC Chairman Kelvin Simmons.

"Each state agency plays a vital role in the environmental quality and protection of water resources in Missouri. It is important that we work together to ensure utility compliance with state and federal laws regarding clean and safe drinking water. We believe this agreement will help us accomplish that goal," stated Chairman Simmons.

"PSC Commissioner Sheila Lumpe and Department of Natural Resources Director Steve Mahfood have worked hard putting this agreement together and should be recognized for their efforts," stated Simmons.

The PSC and DNR will be working together to enhance the overall viability of PSC-regulated water and sewer utilities through rate structure analysis, managerial analysis and operational technical assistance.

Under the agreement, the PSC will provide DNR with any information regarding formal complaints filed by the PSC Staff against a PSC-regulated water or sewer utility, where the complaints involve the utility's failure to maintain compliance with the Missouri Clean Water Law,

(more)

the federal Clean Water Act, the Missouri Safe Drinking Water Law or the federal Safe Drinking Water

Act. In addition, information will be sent to DNR when a PSC-regulated utility seeks to modify its current service area or a company files an application seeking to provide services in a specific area of the state.

The PSC will also offer DNR the opportunity to participate in significant compliance inspections of PSC-regulated water and wastewater utilities.

As part of the agreement, DNR is to provide the PSC with copies of all inspection reports and notices of violation pertaining to all PSC-regulated water and wastewater utilities. DNR will notify the PSC of its intent to pursue enforcement action against PSC-regulated water and wastewater utilities for alleged violations of the Clean Water Law or the Safe Drinking Water Law. In addition, DNR will notify the PSC when operating permit and construction permit applications are submitted to DNR by PSC-regulated water and sewer utilities.

The agreement is a three-year commitment on the part of each state agency. It will be renewed for subsequent three-year periods upon mutual consent by the PSC and DNR.

Governor Holden said that the two agencies have a history of streamlining their procedures. In 1999, they supported legislation ending wasteful reporting practices. An outdated state law required the PSC to issue a report to the natural resources agency, but the Commission had to get the data for the report from DNR. "Former Representative Gary Wiggins, who did so much work on water-related issues, passed the bill that cut that red tape," Holden said.